

Schedule 13
Funding Request for the FY 2026-27 Budget Cycle

Health Care Policy and Financing

Request Title

S-10 DOJ Housing Vouchers
BA-10 DOJ Housing Vouchers

Dept. Approval By: _____ **Supplemental FY 2025-26**

OSPB Approval By: _____ **Budget Amendment FY 2026-27**

| Summary Information | Fund | FY 2025-26 | | FY 2026-27 | | FY 2027-28 | |
|---|--------------|------------------------------|-----------------------------|-------------------------|-------------------------|-----------------------------|--|
| | | Initial Appropriation | Supplemental Request | Base Request | Budget Amendment | Continuation Request | |
| Total of All Line Items Impacted by Change Request | Total | \$13,518,363,055 | (\$5,494,474) | \$13,570,835,986 | (\$19,927,169) | (\$15,758,130) | |
| | FTE | 800.7 | 0.7 | 798.1 | 6.2 | 6.5 | |
| | GF | \$3,941,412,061 | (\$2,747,236) | \$3,952,138,910 | (\$8,930,783) | (\$2,892,194) | |
| | CF | \$1,493,717,985 | \$0 | \$1,496,545,210 | \$0 | \$0 | |
| | RF | \$127,523,723 | \$0 | \$127,559,660 | \$0 | \$0 | |
| | FF | \$7,955,709,286 | (\$2,747,238) | \$7,994,592,206 | (\$10,996,386) | (\$12,865,936) | |

| Line Item Information | FY 2025-26 | | FY 2026-27 | | FY 2027-28 | |
|--|------------|-----------------------|----------------------|--------------|------------------|----------------------|
| | Fund | Initial Appropriation | Supplemental Request | Base Request | Budget Amendment | Continuation Request |
| 01. Executive Director's Office, (A) General Administration, (1) General Administration, Personal Services | Total | \$76,602,942 | \$54,080 | \$78,913,641 | \$443,957 | \$468,210 |
| | FTE | 800.7 | 0.7 | 798.1 | 6.2 | 6.5 |
| | GF | \$29,477,201 | \$27,040 | \$30,293,903 | \$269,504 | \$285,764 |
| | CF | \$6,407,940 | \$0 | \$6,602,894 | \$0 | \$0 |
| | RF | \$3,155,881 | \$0 | \$3,211,037 | \$0 | \$0 |
| | FF | \$37,561,920 | \$27,040 | \$38,805,807 | \$174,453 | \$182,446 |
| 01. Executive Director's Office, (A) General Administration, (1) General Administration, Health, Life, and Dental | Total | \$12,823,330 | \$9,815 | \$16,840,982 | \$101,384 | \$115,486 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | \$5,434,254 | \$4,908 | \$6,493,890 | \$62,086 | \$71,069 |
| | CF | \$702,241 | \$0 | \$1,438,304 | \$0 | \$0 |
| | RF | \$0 | \$0 | \$0 | \$0 | \$0 |
| | FF | \$6,686,835 | \$4,907 | \$8,908,788 | \$39,298 | \$44,417 |
| 01. Executive Director's Office, (A) General Administration, (1) General Administration, Short-term Disability | Total | \$51,482 | \$33 | \$64,918 | \$276 | \$290 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | \$23,801 | \$16 | \$25,314 | \$168 | \$177 |
| | CF | \$427 | \$0 | \$5,360 | \$0 | \$0 |
| | RF | \$0 | \$0 | \$0 | \$0 | \$0 |
| | FF | \$27,254 | \$17 | \$34,244 | \$108 | \$113 |
| 01. Executive Director's Office, (A) General Administration, (1) General Administration, Paid Family and Medical Leave Insurance | Total | \$377,655 | \$215 | \$417,668 | \$1,766 | \$1,864 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | \$152,639 | \$107 | \$162,880 | \$1,072 | \$1,138 |
| | CF | \$27,098 | \$0 | \$34,480 | \$0 | \$0 |
| | RF | \$0 | \$0 | \$0 | \$0 | \$0 |
| | FF | \$197,918 | \$108 | \$220,308 | \$694 | \$726 |
| 01. Executive Director's Office, (A) General Administration, (1) General Administration, Unfunded Liability AED Payments | Total | \$7,918,630 | \$4,783 | \$9,281,509 | \$39,260 | \$41,405 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | \$3,391,947 | \$2,392 | \$3,619,548 | \$23,833 | \$25,271 |
| | CF | \$365,358 | \$0 | \$766,216 | \$0 | \$0 |
| | RF | \$0 | \$0 | \$0 | \$0 | \$0 |
| | FF | \$4,161,325 | \$2,391 | \$4,895,745 | \$15,427 | \$16,134 |

| Line Item Information | FY 2025-26 | | FY 2026-27 | | FY 2027-28 | |
|---|------------|-----------------------|----------------------|------------------|------------------|----------------------|
| | Fund | Initial Appropriation | Supplemental Request | Base Request | Budget Amendment | Continuation Request |
| 01. Executive Director's Office, (A) General Administration, (1) General Administration, Operating Expenses | Total | \$3,400,167 | \$14,491 | \$3,097,991 | \$52,152 | \$10,418 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | \$1,344,473 | \$7,246 | \$1,287,723 | \$37,083 | \$5,760 |
| | CF | \$296,462 | \$0 | \$257,147 | \$0 | \$0 |
| | RF | \$50,071 | \$0 | \$30,852 | \$0 | \$0 |
| | FF | \$1,709,161 | \$7,245 | \$1,522,269 | \$15,069 | \$4,658 |
| 01. Executive Director's Office, (A) General Administration, (1) General Administration, Leased Space | Total | \$3,700,205 | \$3,108 | \$3,700,205 | \$30,226 | \$30,226 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | \$1,482,562 | \$1,554 | \$1,482,562 | \$18,601 | \$18,601 |
| | CF | \$322,276 | \$0 | \$322,276 | \$0 | \$0 |
| | RF | \$38,849 | \$0 | \$38,849 | \$0 | \$0 |
| | FF | \$1,856,518 | \$1,554 | \$1,856,518 | \$11,625 | \$11,625 |
| 01. Executive Director's Office, (A) General Administration, (1) General Administration, General Professional Services and Special Projects | Total | \$45,936,358 | \$0 | \$40,397,469 | (\$171,165) | (\$171,165) |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | \$16,663,486 | \$0 | \$14,707,769 | (\$85,583) | (\$85,583) |
| | CF | \$3,629,148 | \$0 | \$2,846,853 | \$0 | \$0 |
| | RF | \$81,000 | \$0 | \$81,000 | \$0 | \$0 |
| | FF | \$25,562,724 | \$0 | \$22,761,847 | (\$85,582) | (\$85,582) |
| 02. Medical Services Premiums, (A) Medical Services Premiums, (1) Medical Services Premiums, Medical Services Premiums | Total | \$13,367,552,286 | (\$5,580,999) | \$13,418,121,603 | (\$20,425,025) | (\$16,254,864) |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | \$3,883,441,698 | (\$2,790,499) | \$3,894,065,321 | (\$9,257,547) | (\$3,214,391) |
| | CF | \$1,481,967,035 | \$0 | \$1,484,271,680 | \$0 | \$0 |
| | RF | \$124,197,922 | \$0 | \$124,197,922 | \$0 | \$0 |
| | FF | \$7,877,945,631 | (\$2,790,500) | \$7,915,586,680 | (\$11,167,478) | (\$13,040,473) |

Auxiliary Data

Requires Legislation? NO

| | | | |
|------------------|--|---|------|
| Type of Request? | Health Care Policy and Financing Prioritized Request | Interagency Approval or Related Schedule 13s: | None |
|------------------|--|---|------|



Department Priority: S-10, BA-10 Community Access Team (CAT) Housing Vouchers and Contract Adjustments for DOJ Settlement Implementation

Summary of Funding Change for FY 2025-26

| Fund Type | FY 2025-26 Base Request | FY 2026-27 Incremental Request | FY 2027-28 Incremental Request | FY 2028-29 Incremental Request |
|-------------------------|-------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Total Funds | (\$5,494,474) | (\$19,927,169) | (\$15,758,130) | (\$15,252,816) |
| General Fund | (\$2,747,237) | (\$8,930,783) | (\$2,892,194) | (\$991,993) |
| Cash Funds | \$0 | \$0 | \$0 | \$0 |
| Reappropriated Funds | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | (\$2,747,237) | (\$10,996,386) | (\$12,865,936) | (\$14,260,823) |
| FTE | 0.7 | 6.2 | 6.5 | 6.5 |

Summary of Request

Problem or Opportunity

For the state to meet its obligations under the four-year federal Department of Justice (DOJ) voluntary settlement agreement, two budget adjustments are needed. Additional housing vouchers are needed to transition individuals from institutional settings to the community, and an adjustment is needed to convert contractor funding to FTE funding for In-Reach counseling, in alignment with the Agreement, in regions with failed procurements.

As a part of the state's settlement agreement with the DOJ, the state is required to support the transition of individuals currently in nursing homes back into community settings and prevent future individuals from entering nursing homes. Housing vouchers are a key component of this strategy and are necessary to meet the DOJ settlement's mandates.

The Department of Local Affairs (DOLA) administers the Community Access Team (CAT) voucher program, which provides housing assistance to Medicaid-enrolled individuals transitioning from institutional settings or who are at risk of institutionalization. These vouchers are a key strategy in bringing the state into compliance with the federal Department of Justice (DOJ) voluntary settlement agreement. These vouchers also save the state money, as housing vouchers and community-based services are less expensive than institutionalization.

To both mitigate a prolonged commitment under a consent decree and show progress in improving Colorado's transition supports, General Funds were provided to DOLA in FY 2023-24 for approximately 400 vouchers. In FY 2025-26, the CAT program reached full capacity on CAT vouchers, given the existing General Fund appropriation. While the departments initially assumed that the existing vouchers, plus an additional 400, would allow the state to meet the obligations of the Agreement, higher housing costs and the use of the voucher budget for nursing home transitions prior to the signing of the Agreement have accelerated the need for additional support to meet the Agreement requirements.

Without additional funding, DOLA would need to pause voucher authorizations for at least the remainder of FY 2025-26, and Colorado would be unable to meet its federally mandated target to transition approximately 950 individuals utilizing transition supports from institutional settings to community living, placing the state at risk of noncompliance. This is likely to lead to further litigation and higher costs through legal fees, potentially resulting in a formal consent decree with programmatic changes beyond what was already agreed upon. Additionally, the state would not be able to realize savings from lower care costs when individuals transition from institutional to community-based services.

An additional component of the Agreement requires the state to implement In-Reach counseling, which provides both group and individual opportunities for institutionalized members to receive information about community-based and transition services to support community living. This program is also a key strategy for meeting the Agreement's transition obligations. These services are contracted through Local Contact Agencies (LCAs), primarily Aging and Disability Resource Center organizations, split out into 16 regions. The Department has had ongoing contracts in 9 regions and recently put the other 7 regions out to bid through a request for proposal. However, two regions, including 15 nursing facilities and approximately 300 members, experienced a failed procurement. To ensure this work can be implemented in alignment with the Agreement, the Department needs to shift funding between budget lines to hire internal resources.

Proposed Solution

To address these issues, HCPF requests that additional funding be appropriated to HCPF for housing vouchers and then transferred through an interagency agreement (IA) to DOLA, leveraging the structures of the Money Follows the Person (MFP) program and the 1115 waiver

program. This approach will ensure coordinated management of funds and expand the CAT voucher program at levels sufficient to meet the DOJ settlement requirements.

HCPF also requests the hiring of two FTE positions, utilizing the \$171,165 appropriated for In-Reach counseling, to meet the outreach requirements of the Agreement. DOLA requests the hiring of 4.5 FTE positions.

Fiscal Impact of Solution

In FY 2026, the total impact of this request is an estimated savings of \$5.3 million in total funds, including \$2.6 million from the General Fund and \$2.6 million from the Federal Fund. This request is ongoing, and savings will change each year until they steady in FY 2029.

| Requires Legislation | Colorado for All Impacts | Revenue Impacts | Impacts Another Department? | Statutory Authority |
|----------------------|--------------------------|------------------|---|---------------------|
| Yes/No | Positive | Yes Fund type | Yes Department of Local Affairs (DOLA) | 25.5-1-201, C.R.S. |

Background and Opportunity

DOJ Voluntary Settlement Agreement

In March 2022, the U.S. Department of Justice (DOJ) found that Colorado's long-term care system was operating in a way that unnecessarily segregated individuals with physical disabilities in nursing facilities and placed others at risk of institutionalization, in violation of the Americans with Disabilities Act (ADA).

As part of the state's voluntary settlement agreement with the DOJ, Colorado is required to support the transition of individuals currently in nursing homes back into community settings and to prevent others from entering nursing homes. Housing vouchers are a key component of this strategy and are necessary to meet the DOJ settlement's mandates.

To resolve these findings, Colorado entered into a voluntary settlement agreement requiring the state to meet three larger goals (among other goals) relevant to this request:

1. Transition 950 individuals from institutional settings into the community utilizing Transition Coordination Services, which often require CAT housing vouchers and other community-based supports needed to successfully live in the community; and,
2. Develop a system to prevent future institutionalization of individuals (i.e., working with an "at-risk" population). Meeting the "at-risk" goals will require the use of CAT vouchers and other resources that support community living.
3. Implement Group and Individual In-Reach counseling at a minimum twice per year and provide Individual In-Reach to each individual in a nursing facility by December 31, 2026.

Achieving the transition and diversion goals requires coordination between DOLA and HCPF. HCPF funds transition coordination services to help individuals prepare for and sustain community living and housing navigation to help individuals find units to rent. While DOLA administers the CAT vouchers that provide the necessary rental assistance. These vouchers are a critical compliance mechanism by which the state will meet its obligations in the DOJ Settlement Agreement, which requires that individuals remain in the community after

discharge from nursing facilities and that individuals who are at risk of institutionalization and face housing insecurity can likewise secure and maintain housing, thereby preventing institutionalization.

While the Agreement provides the state with 4 years to meet the 950 individual target, it also requires HCPF to conduct Individual In-Reach counseling for approximately 10,000 individuals by December 31, 2026. Because of this In-Reach timeline, DOLA requires more vouchers upfront to align voucher issuance with individuals' expressed desires to transition back to the community. In other words, the state needs to have community living opportunities available to individuals when they express a desire to move out of nursing homes.

The premise of the DOJ Settlement Agreement and the state's broader Long-Term Services and Support (LTSS) strategy is that transitioning individuals from nursing facilities to community-based care results in both improved quality of life and long-term cost savings. While the state incurs additional expenses for waiver services and housing supports, these costs are offset by reductions in nursing facility expenditures and by the benefits of community integration.

CAT Vouchers

The CAT voucher program, administered by DOLA, provides General Fund only rental assistance that enables individuals to live independently rather than in institutionalized settings. The program serves three populations:

- Individuals transitioning from institutional settings to the community who face housing insecurity;
- Individuals with intellectual and developmental disabilities who face housing insecurity, and,
- Individuals at-risk of institutionalization, as identified by the Department of Health Care Policy and Financing (HCPF), are those who face housing insecurity.

The program operates under an interagency agreement (IA) between DOLA and HCPF for administrative and grant funding transfers. Referrals to the CAT program come from HCPF providers and contractors who support Medicaid members in their transition to the community or in avoiding institutionalization in the first place.

Through DOLA's FY 2023-24 R-1 budget request, the General Assembly appropriated 400 new CAT vouchers in FY 2023-24 and FY 2024-25 for individuals at-risk of institutionalization and those transitioning from institutional settings to the community. The appropriation of these funds was intended to demonstrate the state's commitment to resolving the underlying concerns in the lawsuit before litigation and to provide a portion of the resources needed to fulfill an eventual settlement. This appropriation was a successful strategy for reducing the DOJ's mandates as settlement negotiations finalized.

Negotiations with the DOJ took much longer than expected, and most of the initial allocation of vouchers were issued to individuals transitioning from institutional settings prior to the signing of the Agreement (October 31, 2024). So, while these transitions were essential to demonstrating the state's commitment and progress to addressing the lawsuit's concerns, these placements are not eligible for counting towards the targets that were eventually reached through the Agreement. Further exacerbating the strain on voucher funding, housing costs continue to rise. The average state share of voucher payments has increased from \$910 per voucher in FY 2023 to \$1,213 per voucher in FY 2025, an increase of 33.3% in just 2 years. As such, additional vouchers are needed to continue to support transitions.

As individuals with intellectual and developmental disabilities are excluded from the settlement agreement targets (unless there is a co-occurring physical disability), the departments agreed to pause these targeted CAT vouchers through the remainder of FY 2025-26 and will evaluate available funding moving forward to determine whether this pause can be lifted.

At the end of August, due to full subscription of Community Access Team (CAT) vouchers, DOLA had to pause the issuance of new vouchers to assess funding sources to continue issuing vouchers for the individuals covered by the Agreement. During that period, DOLA created a waiting list of 101 individuals referred by the Department for CAT vouchers.

Based on strong collaboration between DOLA and HCPF on financial mechanisms for CAT vouchers, DOLA lifted the pause on CAT vouchers on October 21st and began granting vouchers to individuals on the CAT waitlist, as well as additional referrals that will be made over the following months. DOLA and HCPF continue to work closely to ensure the state has a path forward to meet our commitments under the DOJ Settlement.

The CAT at-risk population is supported in part through existing appropriations at DOLA and through a new 1115 waiver financing mechanism established in SB 25-308. As the state finalizes the targets for the at-risk population, additional General Fund resources for vouchers may be needed. HCPF and DOLA will continue to work to maximize other funding in order to stretch state funds as far as possible.

Senate Bill 25-308 and the 1115 Waiver expansion, which both went into effect July 1, 2025, provide a 50% federal match rate on the first six months of rental assistance provided to Medicaid-eligible individuals utilizing the CAT-at-Risk housing voucher program, and the CAT transition population once the Money Follows the Person (MFP) grant expires.¹ It also authorized tenancy support services for eligible members. This change enables greater alignment among housing, health, and the social needs of the population and leverages federal funding to further stretch state dollars for housing.

¹ Other DOLA supported housing voucher programs are also included in the 1115 Waiver/25-308 reimbursement process but CAT-at-Risk is uniquely relevant to this request.

Money Follows the Person (MFP)

The MFP program is a federal grant that supports states in transitioning individuals from institutional settings to community-based living. MFP funds, as administered by HCPF, help cover the one-time and short-term costs associated with community placement, such as transition coordination, risk mitigation, and rental assistance. These federal funds have been instrumental in aligning Medicaid and housing resources in Colorado. Beginning July 1, 2024, and through the IA with DOLA, HCPF has been able to utilize 100% federal funding through the grant to pay for the first six months of rent for individuals transitioning from institutions to the community, utilizing CAT vouchers. This grant opportunity has been a key funding strategy for stretching state dollars further to meet the obligations of the settlement agreement.

Additionally, HCPF requested and was approved for an additional \$3M in funding from the grant to support voucher payments up to another six months after the initial grant payment, for a total of 12 months of rental payments to further support these efforts.

In-Reach Counseling

As required in the DOJ agreement, the State will identify and assist individuals transitioning from nursing facilities to independent community living primarily through In-Reach counseling.

In-Reach counseling is conducted twice per year by contracted Local Contact Agencies (LCAs), most often Aging and Disability Resource Centers. These contractors visit nursing facilities to provide group and individual counseling sessions, informing residents of their right to live in the community and the support available to make that transition possible. Individuals who express interest in moving are referred to transition coordination services for further assessment and planning. Once using transition coordination services, the member is referred to housing navigation when housing supports are needed, where those contractors support the CAT voucher application process and the search for units for the member to transition to.

To align with implementation date requirements in the Agreement, HCPF started group In-Reach counseling in August of 2023 internally and contracted with LCAs in July 2024 for group In-Reach. The Department contracted with LCAs in July 2025 for individual In-Reach counseling. Nine of the 16 regions are covered through previous contract work, with an additional 5 anticipated to be supported through the RFP process and contract. However, the remaining 2 regions did not receive an adequate proposal for In-Reach coverage.

Proposed Solution and Anticipated Outcomes

The Department is proposing to partner with DOLA to stabilize and sustain the CAT voucher program, ensuring Colorado meets its obligations under the DOJ settlement and continue progress toward a community-based LTSS system. Through this collaboration, HCPF will provide funding to DOLA via an IA, leveraging the structure established under MFP. This approach allows the departments to jointly manage resources and guarantee that sufficient housing supports remain available to meet federally required transition targets. DOLA will

continue to administer the CAT program through its established infrastructure and housing authority partnerships, while HCPF transfers funding to expand the program as required under the DOJ Agreement.

Between the signing of the Agreement, October 31, 2024, and August 15, 2025, 281 people have transitioned out of nursing facilities or are in the process of transitioning. The voucher costs associated with these transitions will be paid for through DOLA's existing budget. This means that, to comply with the DOJ Settlement and avoid costly future litigation, the state must fund and facilitate the transition of an additional 728 individuals through the end of the Agreement, October 31, 2028.

Coordinating funding through the IA ensures that housing and transition supports remain aligned, and federal funding is leveraged as much as possible through the MFP grant and 1115 waiver. This coordination is critical to ensuring that individuals can secure stable housing, avoid re-institutionalization, and successfully maintain community living, as well as maximize state funds.

The anticipated outcomes include compliance with the DOJ settlement and ADA integration requirements, mitigating fiscal and legal risk, and promoting long-term cost efficiencies for the state. Supporting individuals in HCBS with voucher assistance is less costly than institutional care and delivers better outcomes through person-centered, community-based supports. By aligning housing and health resources, HCPF and DOLA can maintain momentum toward a more integrated, equitable, and cost-effective LTSS system that prioritizes independence and choice for Coloradans.

This request increases spending authority and reflects the state's share of funding needed to sustain CAT vouchers and support transitions through FY 2029. The Department estimates that new General Fund spending will be required beginning in FY 2026, ramping up as the number of transitions grows. Total fund costs are expected to increase from \$3.9 million in FY 2026 to \$18.6 million in FY 2027 and \$37.2 million in FY 2028, then stabilize in FY 2029 at \$42.7 million. These costs will be offset by MFP and 1115 waiver where possible, resulting in a reduced General Fund need in the first two years. These costs are also offset by savings from reduced nursing facility utilization, which is estimated at \$8.4 million in FY 2026, \$36.2 million in FY 2027, \$50.9 million in FY 2028, and \$56.0 million in FY 2029. These savings reflect the lower per-person cost of HCBS relative to institutional care. The net fiscal impact represents the state's need to maintain compliance with the DOJ Settlement, while achieving long-term savings through a rebalance of the LTSS system.

Individual In-Reach FTE

The Department proposes using existing contract funding for uncontracted regions to establish two full-time equivalent (FTE) positions within the Department to deliver In-Reach counseling services in regions that experienced a failed procurement. This solution provides the most efficient and cost-effective path to meeting the DOJ Settlement requirements. Initiating a

new contracting process would delay implementation and risk noncompliance with federally mandated timelines. In contrast, bringing these functions in-house allows HCPF to immediately deploy staff, ensure consistent service delivery across all regions, and maintain direct oversight of performance and quality. This approach also eliminates the administrative overhead associated with new procurements while reinforcing accountability and program integration within the Department.

The two proposed FTEs will serve as In-Reach Program Coordinators responsible for delivering individualized, person-centered counseling and transition support for individuals in institutional settings. Their duties will include conducting In-Reach counseling sessions, coordinating with case management agencies and community partners, monitoring outcomes to ensure DOJ compliance, and documenting progress toward community transitions. These positions will also provide training and technical assistance to regional partners, strengthen statewide consistency, and contribute to policy refinement and data-informed program improvement. By embedding these roles within HCPF, the Department can build institutional knowledge, promote workforce stability, and sustain program effectiveness over time.

This investment is not discretionary but essential to achieving and maintaining compliance with the DOJ settlement. Without dedicated FTEs, the Department would face unavoidable delays, fragmented service delivery, and potential enforcement consequences. Funding these positions ensures timely implementation, continuous service coverage, and the long-term stability needed to support Coloradans transitioning to community-based settings.

Voucher Administration FTE

The Division of Housing within DOLA (DOH), specifically the Community Action Team (CAT) staff review all incoming applications, which includes verifying income and assets for all household members, medicaid eligibility, disability status, household members' criminal background, and verifying eligibility based on voucher program requirements and DOH policies. Once complete, DOH CAT staff issue vouchers, schedule and conduct voucher briefing meetings with the applicant to explain process and program rules and collect signatures. Once the voucher holder has located a suitable unit to rent, DOH CAT staff work with the landlord to ensure the unit is rent reasonable, within the voucher payment standard for the county located and collect certifying documents and IRS documents from the landlord. Next, DOH CAT staff conduct a physical inspection of the unit the voucher holder seeks to occupy to ensure it meets safety and occupancy standards, DOH CAT staff enters the information into housing software, submits landlord tax-payer information to the Program Assistant, notifies all parties of payment schedule and tracks the entry ensuring timely payments are made.

Following the initial lease up steps, DOH CAT staff then assigns the voucher holder to their internal caseload of up to 150 voucher families. DOH CAT staff monitor voucher holder's income and household composition and conduct a review with the household at least once annually, but often several times per year. These reviews include collecting income

verifications, household composition forms, comparing information to available databases, updating data in the software system and conducting tenant conferences with families in the event fraud or program violations are discovered. DOH CAT staff also conduct physical inspections of the occupied unit biennially. Additionally, when a voucher holder fails to return required paperwork or another qualifying event occurs, DOH CAT staff gathers verifications and a timeline, and then terminates the assistance of the voucher family which includes notifying all parties (landlord, emergency contact, voucher household), ensuring payment is stopped, updating software information, generating written notifications, maintaining file and closing the case. The lifecycle of a voucher holder's time in the program can be between a few weeks to a participant's entire lifetime. DOH CAT staff have several voucher households who have been actively on the program since it began in 2014.

The DOH CAT program currently has 2 FTE as of October 13, 2025 and we have 1,097 CAT voucher holders in the state. At present, DOH CAT staff manage 264 voucher households. DOH CAT program staff can comfortably handle a caseload of 150 voucher households while still actively completing steps outlined in the first paragraph for new voucher holders; current staff will soon reach a maximum capacity of 150 per caseload and unable to continue to process incoming vouchers at the same rate. The remainder of the voucher management is currently handled by existing contract agencies in the community. However, due to ongoing staffing shortages and other events, several DOH contract agencies have indicated they are no longer able to take on additional vouchers, CAT vouchers in particular. Due to this, in order to manage the expected influx of CAT vouchers and the lack of external capacity, the DOH CAT program requests 3.0 additional FTE to maintain and expand the workload and the required tenancy support services, which together enable individuals to transition from living in institutions back into the community. .

Program Assistant I - this position receives, reviews, and works with Accounting to enter W9s and ACH applications for new program vendors into the CORE system. This position sets up new vendors in the PHA database, Elite. After each check run, this position works with Accounting and the Central Approvals Office to release pending GAX1 docs; cancel and reissue lost warrants; and make changes to existing vendors (address changes, etc.). The increase of CAT vouchers will increase the Program Assistant I's workload.

Administrative Assistant II - this position is responsible for all incoming and outgoing mail for the internal voucher programs, including CAT. This position works with IDS to send monthly reexamination packets, processes all incoming paperwork from participants and shares it with the assigned voucher staff, scans all mail that is sent in and left in the dropbox, forwards all calls from participants and landlords that reach out to the main phone line, sends all late reexamination notices, and other administrative tasks necessary to support our internal voucher teams. The increase of CAT vouchers will increase the Administrative Assistant II's workload.

The Accountant II will support journal voucher entries (especially between MFP and General Fund), evaluate coding elements to confirm spending to support the DOJ Settlement, audit response, and increased frequency of reconciliations between DOLA and HCPF.

CAT At-Risk

This request does not include any new resource needs associated with the CAT At-Risk population, although voucher availability for the population is required under the Settlement Agreement. The Departments assume that the resources allocated to this population in SB 25-308 will meet the requirements of the settlement. If additional resources are required, that need will be addressed through the regular budget process.

Supporting Evidence and Evidence Designation

Evidence Summary

| | |
|---|---|
| Program Objective | Ensure that individuals transitioning from nursing facilities to the community under the DOJ settlement have stable, affordable housing through the CAT voucher program, supporting successful transitions, compliance with federal mandates, and long-term LTSS rebalancing. |
| Relevant Outputs | <ul style="list-style-type: none"> - Number of CAT vouchers issued and maintained annually. - Number of individuals transitioned from nursing facilities using CAT vouchers. |
| Relevant Outcomes | <ul style="list-style-type: none"> - Compliance with DOJ settlement and ADA integration requirements. - Increased number of individuals successfully transitioned to community settings. - Reduced nursing facility expenditures. |
| Evidence Designation with Brief Justification | No Evidence Designation has been made because this request is required for compliance with the DOJ Settlement Agreement. |

The proposed approach is grounded in extensive research and practice. Rental vouchers reduce homelessness and institutionalization, improve housing stability, and, when paired with tenancy support services, are associated with lower acute care utilization and improved well-being. The Settlement itself embeds this evidence by requiring tenancy support, navigation expansion, and home modifications as complements to vouchers. Colorado's own administrative experience (MFP/transition programs, HCBS waivers) shows that housing is the critical path to better outcomes and efficient timelines; when housing is available, service teams can execute transitions within required timeframes.

Promoting Colorado for All

This request advances the Governor's *Colorado for All* priority by promoting equity, inclusion, and opportunity for individuals with disabilities and older adults who face disproportionate barriers to stable housing and community living. By sustaining the CAT voucher program, this proposal ensures that Coloradans transitioning from nursing facilities have equitable access to affordable housing. These individuals are among the state's most in-need populations, often living on fixed incomes and facing limited housing options. Stabilizing funding for CAT vouchers directly narrows opportunity gaps for individuals historically excluded from stable housing and community integration while advancing Colorado's commitment to fairness, dignity, and independence for every resident.

Assumptions and Calculations

To estimate the total number of individuals likely to transition and require voucher assistance, several key data points and assumptions are applied through a ramp-up model. This model assumes a linear increase in In-Reach activity over time, reflecting the gradual expansion of transition efforts, rather than an immediate achievement of full participation. This request assumes that all Community Action Team (CAT) **transition** voucher costs will be appropriated to the Department's Medical Services Premiums line item. Given that the Department has existing federal authority to draw federal match associated with CAT transition vouchers, the Department further assumes that CAT transition vouchers will be eligible for 1115 waiver financing upon the expiration of the MFP grant.

The potential In-Reach population is estimated at 556 members per month, with 18 total months of counseling planned—12 in the first fiscal year and 6 in the second. However, analysis of recent program data shows that approximately 31.59% of individuals participating in group In-Reach counseling are referred to transition coordination. Not all individuals connected with In-Reach counseling will even express a desire to move into the community, which is based on prior program experience and historical data. These referrals represent the subset of participants identified as ready and eligible for community placement. The Department then applies an additional adjustment to estimate how many of these referrals will transition. Over the past five years, the average transition success rate of individuals receiving transition coordination services has been 18.13%. Applying the referral rate and transition rate to this population yields an estimate of the total annual number of transition referrals leading to voucher applications. However, because this request assumes a ramp-up process, not all transitions will occur simultaneously. Instead, new participants will be added each month as transition coordination and housing resources become available. The cumulative total at the end of the fiscal year represents the expected number of individuals who will be active CAT voucher recipients, reflecting both new transitions and the progressive build-out of program capacity over time.

Based on these assumptions, the Department estimates that 39 individuals per month will transition from nursing facilities and begin receiving voucher assistance in FY 2026, 24 per month in FY 2027, and 11 per month in both FY 2028 and FY 2029.

To estimate the costs of transitioning individuals from nursing facilities, the Department applies the ramp-up model to project the number of people each month who receive CAT voucher assistance. The first six months of transitions are funded through the MFP Demonstrations program, followed by six months funded through MFP state savings, both at 100% federal funding. After the first year, the burden of administrative costs and housing voucher costs shift to the Colorado General Fund. When the MFP program sunsets on September 30, 2027, new transitions will be funded through the 1115 waiver at a 50% federal match for the first six months per person. The Department assumes that most individuals will transition onto the Elderly, Blind, and Disabled (EBD) waiver which the Department forecasts to cost \$109.49 per person per day in FY 2026, \$113.25 in FY 2027, and \$130.84 in FY 2028 and ongoing, with expenditures split evenly between state and federal funds. These values are calculated by taking the total forecasted expenditure and enrollment for each fiscal year from the November 2025 forecast. Each CAT voucher, including administrative costs, is estimated to cost the state, on average, \$1,283.82 in FY 2026, \$1,360.35 in FY 2027, \$1,441.62 in FY 2028, and \$1,527.91 in FY 2029 per person per month. However, the exact cost of each voucher depends on the location of the recipient and the lease they ultimately secure.

In addition to the ramp-up model, there is also an attrition rate that is estimated to occur each year for the vouchers. There is an assumed 14.7% attrition rate of people exiting the program for various reasons. This means that a certain number of people will leave the program every year, which opens up funding and voucher spots for new members to move from a nursing facility to home and community based care.

To calculate savings, the Department uses the daily cost of institutional care and the same ramp-up strategy. The daily cost of nursing facility care is \$239.94 in FY 2026 and ongoing, meaning each day an individual remains in the community rather than in a facility saves the state \$239.94 per person per day. These savings accrue gradually as more individuals transition throughout the year, rather than all at once, reflecting the incremental nature of the ramp-up process. Because nursing facility services are financed with a 50% federal match, the resulting savings are shared equally between the General Fund and federal funds.

The combined monthly cost of the EBD waiver and CAT voucher is approximately \$4,568 Total Funds in FY 2026, while the cost of nursing facilities for the same average month is \$7,198 Total Funds. This equates to an approximate savings per person per month of \$2,630 Total Funds, or an annual per person savings of \$31,560. However, these savings are more heavily concentrated in Federal Funds in the long term and represent new General Fund liability. While the MFP program is in effect, the first 12 months of voucher payments per person are reimbursed using 100% Federal Funds, but after that year, the voucher must be reimbursed in perpetuity with 100% General Funds. Once the MFP program expires, the Departments can

utilize the 1115 waiver program to offset the General Fund obligation with a 50% federal match on vouchers for the first 6 months of voucher payments per person, but again after the initial 6 months, the voucher becomes a 100% General Fund liability. Since the split between General Fund and federal funding fluctuates over time, the federal financial participation (FFP) rate is not applicable to the combined voucher and EBD costs or to the nursing facilities savings reported in the Medical Services Premiums line in the Appendix Summary by Line Item. Overall, there will be a new, ongoing, and increasing general fund obligation associated with voucher payments, but they are less expensive in total funds terms than nursing facilities annualized per diem.

| Table 1.0 Summary by Line Item FY 2025-26 | | | | | | | | | |
|---|--|---------------|-----|---------------|------------|----------------------|---------------|----------|---|
| Row | Line Item | Total Funds | FTE | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate | Notes/ Calculations |
| A | (1) Executive Director's Office (A) General Administration; Personal Services | \$54,080 | 0.7 | \$27,040 | \$0 | \$0 | \$27,040 | 50.00% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| B | (1) Executive Director's Office (A) General Administration; Health, Life, and Dental | \$9,815 | 0.0 | \$4,908 | \$0 | \$0 | \$4,907 | 50.00% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| C | (1) Executive Director's Office (A) General Administration; Short-term Disability | \$33 | 0.0 | \$16 | \$0 | \$0 | \$17 | 50.00% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| D | (1) Executive Director's Office (A) General Administration; Paid Family and Medical Leave Insurance | \$215 | 0.0 | \$107 | \$0 | \$0 | \$108 | 50.00% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| E | (1) Executive Director's Office (A) General Administration; Unfunded Liability AED Payments | \$4,783 | 0.0 | \$2,391 | \$0 | \$0 | \$2,392 | 50.00% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| F | (1) Executive Director's Office (A) General Administration; Operating Expenses | \$14,491 | 0.0 | \$7,246 | \$0 | \$0 | \$7,245 | 50.00% | Tables 6, 7, 8 and 9; FFP for Table 8 is 0% |
| G | (1) Executive Director's Office (A) General Administration; Leased Space | \$3,108 | 0.0 | \$1,554 | \$0 | \$0 | \$1,554 | 50.00% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| H | (1) Executive Director's Office (A) General Administration; General Professional Services and Special Projects | \$0 | 0.0 | \$0 | \$0 | \$0 | \$0 | NA | |
| I | (2) Medical Services Premiums; Medical and Long Term Care Services for Medicaid Eligible Individuals | (\$5,580,999) | 0.0 | (\$2,790,499) | \$0 | \$0 | (\$2,790,500) | 50.00% | Table 2.0 Sum Rows A, B and H |
| J | Total Request | (\$5,494,474) | 0.7 | (\$2,747,237) | \$0 | \$0 | (\$2,747,237) | | Sum Rows A through I |

| Table 1.1 Summary by Line Item FY 2026-27 | | | | | | | | | |
|---|--|----------------|-----|---------------|------------|----------------------|----------------|----------|---|
| Row | Line Item | Total Funds | FTE | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate | Notes/ Calculations |
| A | (1) Executive Director's Office (A) General Administration; Personal Services | \$443,957 | 6.2 | \$269,504 | \$0 | \$0 | \$174,453 | 39.30% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| B | (1) Executive Director's Office (A) General Administration; Health, Life, and Dental | \$101,384 | 0.0 | \$62,086 | \$0 | \$0 | \$39,298 | 38.76% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| C | (1) Executive Director's Office (A) General Administration; Short-term Disability | \$276 | 0.0 | \$168 | \$0 | \$0 | \$108 | 39.13% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| D | (1) Executive Director's Office (A) General Administration; Paid Family and Medical Leave Insurance | \$1,766 | 0.0 | \$1,072 | \$0 | \$0 | \$694 | 39.30% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| E | (1) Executive Director's Office (A) General Administration; Unfunded Liability AED Payments | \$39,260 | 0.0 | \$23,833 | \$0 | \$0 | \$15,427 | 39.29% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| F | (1) Executive Director's Office (A) General Administration; Operating Expenses | \$52,152 | 0.0 | \$37,083 | \$0 | \$0 | \$15,069 | 28.89% | Tables 6, 7, 8 and 9; FFP for Table 8 is 0% |
| G | (1) Executive Director's Office (A) General Administration; Leased Space | \$30,226 | 0.0 | \$18,601 | \$0 | \$0 | \$11,625 | 38.46% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| H | (1) Executive Director's Office (A) General Administration; General Professional Services and Special Projects | (\$171,165) | 0.0 | (\$85,582) | \$0 | \$0 | (\$85,583) | 50.00% | Table 2.1 Row E |
| I | (2) Medical Services Premiums; Medical and Long Term Care Services for Medicaid Eligible Individuals | (\$20,425,025) | 0.0 | (\$9,257,547) | \$0 | \$0 | (\$11,167,478) | N/A | Table 2.1 Sum Rows A, B and I |
| J | Total Request | (\$19,927,169) | 6.2 | (\$8,930,782) | \$0 | \$0 | (\$10,996,387) | | Sum Rows A through I |

| Table 1.2 Summary by Line Item FY 2027-28 | | | | | | | | | |
|---|--|----------------|-----|---------------|------------|----------------------|----------------|----------|---|
| Row | Line Item | Total Funds | FTE | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate | Notes/ Calculations |
| A | (1) Executive Director's Office (A) General Administration; Personal Services | \$468,210 | 6.5 | \$285,764 | \$0 | \$0 | \$182,446 | 38.97% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| B | (1) Executive Director's Office (A) General Administration; Health, Life, and Dental | \$115,486 | 0.0 | \$71,068 | \$0 | \$0 | \$44,418 | 38.46% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| C | (1) Executive Director's Office (A) General Administration; Short-term Disability | \$290 | 0.0 | \$177 | \$0 | \$0 | \$113 | 38.97% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| D | (1) Executive Director's Office (A) General Administration; Paid Family and Medical Leave Insurance | \$1,864 | 0.0 | \$1,138 | \$0 | \$0 | \$726 | 38.95% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| E | (1) Executive Director's Office (A) General Administration; Unfunded Liability AED Payments | \$41,405 | 0.0 | \$25,271 | \$0 | \$0 | \$16,134 | 38.97% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| F | (1) Executive Director's Office (A) General Administration; Operating Expenses | \$10,418 | 0.0 | \$5,761 | \$0 | \$0 | \$4,658 | 44.71% | Tables 6, 7, 8 and 9; FFP for Table 8 is 0% |
| G | (1) Executive Director's Office (A) General Administration; Leased Space | \$30,226 | 0.0 | \$18,601 | \$0 | \$0 | \$11,625 | 38.46% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| H | (1) Executive Director's Office (A) General Administration; General Professional Services and Special Projects | (\$171,165) | 0.0 | (\$85,583) | \$0 | \$0 | (\$85,582) | 50.00% | Table 2.2 Row E |
| I | (2) Medical Services Premiums; Medical and Long Term Care Services for Medicaid Eligible Individuals | (\$16,754,864) | 0.0 | (\$3,214,391) | \$0 | \$0 | (\$13,040,473) | N/A | Table 2.2 Sum Rows A, B and I |
| J | Total Request | (\$15,758,130) | 6.5 | (\$2,892,194) | \$0 | \$0 | (\$12,865,936) | | Sum Rows A through I |

| Table 1.3 Summary by Line Item FY 2028-29 | | | | | | | | | |
|---|--|----------------|-----|---------------|------------|----------------------|----------------|----------|---|
| Row | Line Item | Total Funds | FTE | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate | Notes/ Calculations |
| A | (1) Executive Director's Office (A) General Administration; Personal Services | \$468,210 | 6.5 | \$285,764 | \$0 | \$0 | \$182,446 | 38.97% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| B | (1) Executive Director's Office (A) General Administration; Health, Life, and Dental | \$115,486 | 0.0 | \$71,068 | \$0 | \$0 | \$44,418 | 38.46% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| C | (1) Executive Director's Office (A) General Administration; Short-term Disability | \$290 | 0.0 | \$177 | \$0 | \$0 | \$113 | 38.97% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| D | (1) Executive Director's Office (A) General Administration; Paid Family and Medical Leave Insurance | \$1,864 | 0.0 | \$1,138 | \$0 | \$0 | \$726 | 38.95% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| E | (1) Executive Director's Office (A) General Administration; Unfunded Liability AED Payments | \$41,405 | 0.0 | \$25,271 | \$0 | \$0 | \$16,134 | 38.97% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| F | (1) Executive Director's Office (A) General Administration; Operating Expenses | \$10,418 | 0.0 | \$5,761 | \$0 | \$0 | \$4,657 | 44.70% | Tables 6, 7, 8 and 9; FFP for Table 8 is 0% |
| G | (1) Executive Director's Office (A) General Administration; Leased Space | \$30,226 | 0.0 | \$18,601 | \$0 | \$0 | \$11,625 | 38.46% | Tables 6, 7 and 8; FFP for Table 8 is 0% |
| H | (1) Executive Director's Office (A) General Administration; General Professional Services and Special Projects | (\$171,165) | 0.0 | (\$85,583) | \$0 | \$0 | (\$85,582) | 50.00% | Table 2.3 Row E |
| I | (2) Medical Services Premiums; Medical and Long Term Care Services for Medicaid Eligible Individuals | (\$15,749,550) | 0.0 | (\$1,314,190) | \$0 | \$0 | (\$14,435,360) | N/A | Table 2.3 Sum Rows A, B and I |
| J | Total Request | (\$15,252,816) | 6.5 | (\$999,993) | \$0 | \$0 | (\$14,260,823) | | Sum Rows A through I |

| Table 2.0 Summary by Initiative FY 2025-26 | | | | | | | | | |
|--|---------------------------------------|-----------------------|------------|----------------------|------------|----------------------|----------------------|----------|-----------------------|
| Row | Item | Total Funds | FTE | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate | Notes/ Calculations |
| Housing Voucher Costs | | | | | | | | | |
| A | Cost of Transitioning onto EBD Waiver | \$4,684,354 | 0.0 | \$2,342,177 | \$0 | \$0 | \$2,342,177 | 50% | Table 3.0 Row B |
| B | Cost of Housing Voucher + Admin | \$0 | 0.0 | \$0 | \$0 | \$0 | \$0 | 0% | Table 4.0 Row C |
| C | Total Transition Costs | \$4,684,354 | 0.0 | \$2,342,177 | \$0 | \$0 | \$2,342,177 | | Row A + Row B |
| FTE Costs | | | | | | | | | |
| D | Cost of HCPF FTE | \$86,525 | 0.7 | \$43,263 | \$0 | \$0 | \$43,262 | 50% | Table 6 |
| E | Cost of DOLA FTE | \$0 | 0.0 | \$0 | \$0 | \$0 | \$0 | 50% | Table 7 |
| F | Cost of DOLA FTE- State Funded Only | \$0 | 0.0 | \$0 | \$0 | \$0 | \$0 | 0% | Table 8 |
| G | Total FTE Costs | \$86,525 | 0.7 | \$43,263 | \$0 | \$0 | \$43,262 | | Row D through Row G |
| Nursing Facility Savings | | | | | | | | | |
| H | Savings of Transitioning from NF | (\$10,265,353) | 0.0 | (\$5,132,676) | \$0 | \$0 | (\$5,132,677) | 50% | Table 5.0 Row B |
| I | Total Nursing Facility Savings | (\$10,265,353) | 0.0 | (\$5,132,676) | \$0 | \$0 | (\$5,132,677) | | Row I |
| J | Total Request | (\$5,494,474) | 0.7 | (\$2,747,236) | \$0 | \$0 | (\$2,747,238) | | Row C + Row H + Row J |

| Table 2.1 Summary by Initiative FY 2026-27 | | | | | | | | | |
|--|---------------------------------------|-----------------------|------------|-----------------------|------------|----------------------|-----------------------|----------|---|
| Row | Item | Total Funds | FTE | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate | Notes/ Calculations |
| Housing Voucher Costs | | | | | | | | | |
| A | Cost of Transitioning onto EBD Waiver | \$18,746,611 | 0.0 | \$9,373,306 | \$0 | \$0 | \$9,373,305 | 50% | Table 3.1 Row B |
| B | Cost of Housing Voucher + Admin | \$1,909,931 | 0.0 | \$1,909,931 | \$0 | \$0 | \$0 | 0% | Table 4.1 Row C |
| C | Total Transition Costs | \$20,656,542 | 0.0 | \$11,283,237 | \$0 | \$0 | \$9,373,305 | | Row A + Row B |
| FTE Costs | | | | | | | | | |
| D | Cost of HCPF FTE | \$229,845 | 2.0 | \$114,923 | \$0 | \$0 | \$114,922 | 50% | Table 6 |
| E | Removal of Contractor Funding | (\$171,165) | 0.0 | (\$85,582) | \$0 | \$0 | (\$85,583) | 50% | Region 1 and Region 8 In-Reach Counseling Contractors |
| F | Cost of DOLA FTE | \$283,505 | 2.8 | \$141,753 | \$0 | \$0 | \$141,752 | 50% | Table 7 |
| G | Cost of DOLA FTE- State Funded Only | \$155,671 | 1.4 | \$155,671 | \$0 | \$0 | \$0 | 0% | Table 8 |
| H | Total FTE Costs | \$497,856 | 6.2 | \$326,765 | \$0 | \$0 | \$171,091 | | Row D through Row G |
| Nursing Facility Savings | | | | | | | | | |
| I | Savings of Transitioning from NF | (\$41,081,567) | 0.0 | (\$20,540,784) | \$0 | \$0 | (\$20,540,783) | 50% | Table 5.1 Row B |
| J | Total Nursing Facility Savings | (\$41,081,567) | 0.0 | (\$20,540,784) | \$0 | \$0 | (\$20,540,783) | | Row I |
| K | Total Request | (\$19,927,169) | 6.2 | (\$8,930,782) | \$0 | \$0 | (\$10,996,387) | | Row C + Row H + Row J |

| Table 2.2 Summary by Initiative FY 2027-28 | | | | | | | | | |
|--|---------------------------------------|-----------------------|------------|-----------------------|------------|----------------------|-----------------------|----------|---|
| Row | Item | Total Funds | FTE | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate | Notes/ Calculations |
| Housing Voucher Costs | | | | | | | | | |
| A | Cost of Transitioning onto EBD Waiver | \$32,021,356 | 0.0 | \$16,010,678 | \$0 | \$0 | \$16,010,678 | 50% | Table 3.2 Row B |
| B | Cost of Housing Voucher + Admin | \$10,444,536 | 0.0 | \$10,135,309 | \$0 | \$0 | \$309,227 | 2.96% | Table 4.2 Row C |
| C | Total Transition Costs | \$42,465,892 | 0.0 | \$26,145,987 | \$0 | \$0 | \$16,319,905 | | Row A + Row B |
| FTE Costs | | | | | | | | | |
| D | Cost of HCPF FTE | \$232,355 | 2.0 | \$116,178 | \$0 | \$0 | \$116,177 | 50% | Table 6 |
| E | Removal of Contractor Funding | (\$171,165) | 0.0 | (\$85,583) | \$0 | \$0 | (\$85,582) | 50% | Region 1 and Region 8 In-Reach Counseling Contractors |
| F | Cost of DOLA FTE | \$287,884 | 3.0 | \$143,942 | \$0 | \$0 | \$143,942 | 50% | Table 7 |
| G | Cost of DOLA FTE- State Funded Only | \$147,660 | 1.5 | \$147,660 | \$0 | \$0 | \$0 | 0% | Table 8 |
| H | Total FTE Costs | \$496,734 | 6.5 | \$322,197 | \$0 | \$0 | \$174,537 | | Row D through Row G |
| Nursing Facility Savings | | | | | | | | | |
| I | Savings of Transitioning from NF | (\$58,720,756) | 0.0 | (\$29,360,378) | \$0 | \$0 | (\$29,360,378) | 50% | Table 5.2 Row B |
| J | Total Nursing Facility Savings | (\$58,720,756) | 0.0 | (\$29,360,378) | \$0 | \$0 | (\$29,360,378) | | Row I |
| K | Total Request | (\$15,758,130) | 6.5 | (\$2,892,194) | \$0 | \$0 | (\$12,865,936) | | Row C + Row H + Row J |

| Table 2.3 Summary by Initiative FY 2028-29 and ongoing | | | | | | | | | |
|--|---------------------------------------|-----------------------|------------|-----------------------|------------|----------------------|-----------------------|----------|---|
| Row | Item | Total Funds | FTE | General Fund | Cash Funds | Reappropriated Funds | Federal Funds | FFP Rate | Notes/ Calculations |
| Housing Voucher Costs | | | | | | | | | |
| A | Cost of Transitioning onto EBD Waiver | \$34,910,763 | 0.0 | \$17,455,382 | \$0 | \$0 | \$17,455,381 | 50% | Table 3.3 Row B |
| B | Cost of Housing Voucher + Admin | \$13,359,038 | 0.0 | \$13,240,104 | \$0 | \$0 | \$118,934 | 0.89% | Table 4.3 Row C |
| C | Total Transition Costs | \$48,269,801 | 0.0 | \$30,695,486 | \$0 | \$0 | \$17,574,315 | | Row A + Row B |
| FTE Costs | | | | | | | | | |
| D | Cost of HCPF FTE | \$232,355 | 2.0 | \$116,178 | \$0 | \$0 | \$116,177 | 50% | Table 6 |
| E | Removal of Contractor Funding | (\$171,165) | 0.0 | (\$85,583) | \$0 | \$0 | (\$85,582) | 50% | Region 1 and Region 8 In-Reach Counseling Contractors |
| F | Cost of DOLA FTE | \$287,884 | 3.0 | \$143,942 | \$0 | \$0 | \$143,942 | 50% | Table 7 |
| G | Cost of DOLA FTE- State Funded Only | \$147,660 | 1.5 | \$147,660 | \$0 | \$0 | \$0 | 0% | Table 8 |
| H | Total FTE Costs | \$496,734 | 6.5 | \$322,197 | \$0 | \$0 | \$174,537 | | Row D through Row G |
| Nursing Facility Savings | | | | | | | | | |
| I | Savings of Transitioning from NF | (\$64,019,351) | 0.0 | (\$32,009,676) | \$0 | \$0 | (\$32,009,675) | 50% | Table 5.3 Row B |
| J | Total Nursing Facility Savings | (\$64,019,351) | 0.0 | (\$32,009,676) | \$0 | \$0 | (\$32,009,675) | | Row I |
| K | Total Request | (\$15,252,816) | 6.5 | (\$991,993) | \$0 | \$0 | (\$14,260,823) | | Row C + Row H + Row J |

S-10, BA-10 Community Access Team (CAT) Housing Vouchers and Contract Adjustments for DOJ Settlement Implementation
 Appendix A: Assumptions and Calculations

| Table 3.0 Waiver Costs FY 2025-26 | | | | |
|--|-----------------------------|----------------------|--------------------|--------------------------------------|
| Row | Item | Per Diem Rate | Amount | Notes |
| A | Transitioning to EBD Waiver | \$109.49 | \$4,684,353.51 | Assuming ramp up process onto waiver |
| B | Total Budget Impact | | \$4,684,354 | Row A |

| Table 3.1 Waiver Costs FY 2026-27 | | | | |
|--|-----------------------------|----------------------|---------------------|--------------------------------------|
| Row | Item | Per Diem Rate | Amount | Notes |
| A | Transitioning to EBD Waiver | \$113.35 | \$18,746,611 | Assuming ramp up process onto waiver |
| B | Total Budget Impact | | \$18,746,611 | Row A |

| Table 3.2 Waiver Costs FY 2027-28 | | | | |
|--|-----------------------------|----------------------|---------------------|--------------------------------------|
| Row | Item | Per Diem Rate | Amount | Notes |
| A | Transitioning to EBD Waiver | \$130.84 | \$32,021,356 | Assuming ramp up process onto waiver |
| B | Total Budget Impact | | \$32,021,356 | Row A |

| Table 3.3 Waiver Costs FY 2028-29 | | | | |
|--|-----------------------------|----------------------|---------------------|--------------------------------------|
| Row | Item | Per Diem Rate | Amount | Notes |
| A | Transitioning to EBD Waiver | \$130.84 | \$34,910,763 | Assuming ramp up process onto waiver |
| B | Total Budget Impact | | \$34,910,763 | Row A |

| Table 3.4 Rate Calculations | | | |
|------------------------------------|---------------------|-------------------------|----------------------|
| Year | Cash Actuals | Price per person | Per Diem Rate |
| FY 2026 | \$1,277,576,042 | \$39,964 | \$109.49 |
| FY 2027 | \$1,354,006,784 | \$41,374 | \$113.35 |
| FY 2028 | \$1,581,735,718 | \$47,758 | \$130.84 |

S-10, BA-10 Community Access Team (CAT) Housing Vouchers and Contract Adjustments for DOJ Settlement Implementation
 Appendix A: Assumptions and Calculations

| Table 4.0 Costs per Voucher FY 2025-26 | | | | |
|---|---|------------|------------|-------------------------------|
| Row | Item | Per Month | Amount | Notes |
| A | Rent and monthly administrative cost (General Fund) | \$1,283.82 | \$0.00 | Estimated Monthly Rental Cost |
| B | Rent and monthly administrative cost (Federal Fund) | \$1,283.82 | \$0 | MFP already accounted for |
| C | Total Budget Impact | | \$0 | Row A + Row B |

| Table 4.1 Costs per Voucher FY 2026-27 | | | | |
|---|---|------------|--------------------|-------------------------------|
| Row | Item | Per Month | Amount | Notes |
| A | Rent and monthly administrative cost (General Fund) | \$1,360.35 | \$1,909,931 | Estimated Monthly Rental Cost |
| B | Rent and monthly administrative cost (Federal Fund) | \$1,360.35 | \$0 | MFP already accounted for |
| C | Total Budget Impact | | \$1,909,931 | Row A + Row B |

| Table 4.2 Costs per Voucher FY 2027-28 | | | | |
|---|---|------------|---------------------|-------------------------------|
| Row | Item | Per Month | Amount | Notes |
| A | Rent and monthly administrative cost (General Fund) | \$1,441.62 | \$10,135,309 | Estimated Monthly Rental Cost |
| B | Rent and monthly administrative cost (Federal Fund) | \$1,441.62 | \$309,227 | 1115 Waiver |
| C | Total Budget Impact | | \$10,444,537 | Row A + Row B |

| Table 4.3 Costs per Voucher FY 2028-29 and ongoing | | | | |
|---|---|------------|---------------------|-------------------------------|
| Row | Item | Per Month | Amount | Notes |
| A | Rent and monthly administrative cost (General Fund) | \$1,527.91 | \$13,240,104 | Estimated Monthly Rental Cost |
| B | Rent and monthly administrative cost (Federal Fund) | \$1,527.91 | \$118,934 | 1115 Waiver |
| C | Total Budget Impact | | \$13,359,038 | Row A + Row B |

S-10, BA-10 Community Access Team (CAT) Housing Vouchers and Contract Adjustments for DOJ Settlement Implementation
 Appendix A: Assumptions and Calculations

Table 5.0
Nursing Facility Savings
FY 2025-26

| Row | Item | Per Diem Rate | Amount | Notes |
|-----|----------------------------|---------------|---------------------|------------------------------------|
| A | Transitioning from NF | \$239.94 | \$10,265,353 | Assuming ramp up process out of NF |
| B | Total Budget Impact | | \$10,265,353 | |

Table 5.1
Nursing Facility Savings
FY 2026-27

| Row | Item | Per Diem Rate | Amount | Notes |
|-----|----------------------------|---------------|---------------------|------------------------------------|
| A | Transitioning from NF | \$239.94 | \$41,081,567 | Assuming ramp up process out of NF |
| B | Total Budget Impact | | \$41,081,567 | |

Table 5.2
Nursing Facility Savings
FY 2027-28

| Row | Item | Per Diem Rate | Amount | Notes |
|-----|----------------------------|---------------|---------------------|------------------------------------|
| A | Transitioning from NF | \$239.94 | \$58,720,756 | Assuming ramp up process out of NF |
| B | Total Budget Impact | | \$58,720,756 | |

Table 5.3
Nursing Facility Savings
FY 2028-29

| Row | Item | Per Diem Rate | Amount | Notes |
|-----|----------------------------|---------------|---------------------|------------------------------------|
| A | Transitioning from NF | \$239.94 | \$64,019,351 | Assuming ramp up process out of NF |
| B | Total Budget Impact | | \$64,019,351 | |

Table 6.0
FTE Calculations

Centrally Appropriated Costs

| Cost Center | FTE | FTE | Cost or | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
|---|-----|-----|---------|------------|------------|------------|------------|------------|------------|-------|
| Health, Life, and Dental | 0.0 | 0.0 | Varies | \$9,815 | \$33,024 | \$35,534 | \$35,534 | \$35,534 | \$35,534 | |
| Short-term Disability | - | - | 0.07% | \$33 | \$102 | \$102 | \$102 | \$102 | \$102 | |
| Paid Family and Medical Leave Insurance | - | - | 0.45% | \$215 | \$657 | \$657 | \$657 | \$657 | \$657 | |
| Unfunded Liability AED Payments | - | - | 10.00% | \$4,783 | \$14,596 | \$14,596 | \$14,596 | \$14,596 | \$14,596 | |
| Centrally Appropriated Costs Total | | | | \$14,846 | \$48,379 | \$50,889 | \$50,889 | \$50,889 | \$50,889 | |

Operating Expenses

| Operating Expenses | | | | | | | | | | |
|-------------------------------------|-----|-----|---------|-----------------|----------------|----------------|----------------|----------------|----------------|---------|
| Ongoing Costs | FTE | FTE | Cost | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
| Standard Allowance | 0.0 | 0.0 | \$500 | \$334 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 |
| Communications | 0.0 | 0.0 | \$235 | \$157 | \$470 | \$470 | \$470 | \$470 | \$470 | \$470 |
| Other | 0.0 | 0.0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Subtotal</i> | | | | \$491 | \$1,470 | \$1,470 | \$1,470 | \$1,470 | \$1,470 | |
| One-Time Costs (Capital Outlay) | | | | | | | | | | |
| Cubicle | 2.0 | | \$5,000 | \$10,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| PC | 2.0 | | \$2,000 | \$4,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other | 2.0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| <i>Subtotal</i> | | | | \$14,000 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Total Operating | | | | \$14,491 | \$1,470 | \$1,470 | \$1,470 | \$1,470 | \$1,470 | |

Leased Space

| | FTE | FTE | Cost | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
|--------------|-----|-----|---------|------------|------------|------------|------------|------------|------------|-------|
| Leased Space | 0.0 | 0.0 | \$4,650 | \$3,108 | \$9,300 | \$9,300 | \$9,300 | \$9,300 | \$9,300 | |

Table 7.0
FTE Calculations

Centrally Appropriated Costs

| Cost Center | FTE | FTE | Cost or | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
|---|-----|-----|---------|------------|------------|------------|------------|------------|------------|-------|
| Health, Life, and Dental | 0.0 | 0.0 | Varies | \$0 | \$45,573 | \$53,301 | \$53,301 | \$53,301 | \$53,301 | |
| Short-term Disability | - | - | 0.07% | \$0 | \$114 | \$124 | \$124 | \$124 | \$124 | |
| Paid Family and Medical Leave Insurance | - | - | 0.45% | \$0 | \$731 | \$795 | \$795 | \$795 | \$795 | |
| Unfunded Liability AED Payments | - | - | 10.00% | \$0 | \$16,258 | \$17,672 | \$17,672 | \$17,672 | \$17,672 | |
| Centrally Appropriated Costs Total | | | | \$0 | \$62,676 | \$71,892 | \$71,892 | \$71,892 | \$71,892 | |

Operating Expenses

| Ongoing Costs | FTE | FTE | Cost | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
|--|-----|-----|---------|------------|------------|------------|------------|------------|------------|-------|
| Standard Allowance | 0.0 | 0.0 | \$500 | \$0 | \$1,380 | \$1,500 | \$1,500 | \$1,500 | \$1,500 | |
| Communications | 0.0 | 0.0 | \$235 | \$0 | \$648 | \$705 | \$705 | \$705 | \$705 | |
| Other | 0.0 | 0.0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| <i>Subtotal</i> | | | | \$0 | \$2,028 | \$2,205 | \$2,205 | \$2,205 | \$2,205 | |
| One-Time Costs (Capital Outlay) | | | | | | | | | | |
| Cubicle | 3.0 | | \$5,000 | \$0 | \$15,000 | \$0 | \$0 | \$0 | \$0 | |
| PC | 3.0 | | \$2,000 | \$0 | \$6,000 | \$0 | \$0 | \$0 | \$0 | |
| Other | 3.0 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| <i>Subtotal</i> | | | | \$0 | \$21,000 | \$0 | \$0 | \$0 | \$0 | |
| Total Operating | | | | \$0 | \$23,028 | \$2,205 | \$2,205 | \$2,205 | \$2,205 | |

Leased Space

| | FTE | FTE | Cost | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
|--------------|-----|-----|---------|------------|------------|------------|------------|------------|------------|-------|
| Leased Space | 0.0 | 0.0 | \$4,650 | \$0 | \$13,950 | \$13,950 | \$13,950 | \$13,950 | \$13,950 | |

Table 8.0
FTE Calculations

Centrally Appropriated Costs

| Cost Center | FTE | FTE | Cost or | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
|---|-----|-----|---------|------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------|
| Health, Life, and Dental | 0.0 | 0.0 | Varies | \$0 | \$22,787 | \$26,651 | \$26,651 | \$26,651 | \$26,651 | |
| Short-term Disability | - | - | 0.07% | \$0 | \$60 | \$64 | \$64 | \$64 | \$64 | |
| Paid Family and Medical Leave Insurance | - | - | 0.45% | \$0 | \$378 | \$412 | \$412 | \$412 | \$412 | |
| Unfunded Liability AED Payments | - | - | 10.00% | \$0 | \$8,406 | \$9,137 | \$9,137 | \$9,137 | \$9,137 | |
| Centrally Appropriated Costs Total | | | | \$0 | \$31,631 | \$36,264 | \$36,264 | \$36,264 | \$36,264 | |

Operating Expenses

| Operating Expenses | | | | | | | | | | |
|---------------------------------|-----|-----|---------|------------|-----------------|----------------|----------------|----------------|----------------|-------|
| Ongoing Costs | FTE | FTE | Cost | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
| Standard Allowance | 0.0 | 0.0 | \$500 | \$0 | \$690 | \$750 | \$750 | \$750 | \$750 | |
| Communications | 0.0 | 0.0 | \$235 | \$0 | \$324 | \$353 | \$353 | \$353 | \$353 | |
| Other | 0.0 | 0.0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| <i>Subtotal</i> | | | | \$0 | \$1,014 | \$1,103 | \$1,103 | \$1,103 | \$1,103 | |
| One-Time Costs (Capital Outlay) | | | | | | | | | | |
| One-Time Costs (Capital Outlay) | FTE | | Cost | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
| Cubicle | 1.5 | | \$5,000 | \$0 | \$15,000 | \$0 | \$0 | \$0 | \$0 | |
| PC | 1.5 | | \$2,000 | \$0 | \$6,000 | \$0 | \$0 | \$0 | \$0 | |
| Other | 1.5 | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| <i>Subtotal</i> | | | | \$0 | \$21,000 | \$0 | \$0 | \$0 | \$0 | |
| Total Operating | | | | \$0 | \$22,014 | \$1,103 | \$1,103 | \$1,103 | \$1,103 | |

Leased Space

| | FTE | FTE | Cost | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 | FY 2029-30 | FY 2030-31 | Notes |
|--------------|-----|-----|---------|------------|------------|------------|------------|------------|------------|-------|
| Leased Space | 0.0 | 0.0 | \$4,650 | \$0 | \$6,976 | \$6,976 | \$6,976 | \$6,976 | \$6,976 | |

S-10, BA-10 Community Access Team (CAT) Housing Vouchers and Contract Adjustments for DOJ Settlement Implementation
Appendix A: Assumptions and Calculations

| Table 9.0 Travel Expenses for HCPF FTE | | |
|---|-------------------|-------------------|
| | Region 1 Travel | Region 8 Travel |
| Average Miles | 1200 | 800 |
| 2WD Mileage | \$0.52 | \$0.52 |
| Travel Costs | \$624.00 | \$416.00 |
| Lodging | 110 | 110 |
| Meals and Incidentals | 68 | 68 |
| Nights | 5 | 5 |
| Per Diem Costs | 890 | 890 |
| Trips | 2 | 2 |
| Annual Total Costs | \$3,028.00 | \$2,612.00 |